

TOWN COUNCIL BUDGET WORKSHOP - TUESDAY EVENING - MARCH 22, 2011

PRESENT: Marshall, Barboza, Teixeira, Herreshoff, and Parella

ALSO PRESENT: Diane C. Mederos, Town Administrator
Julie Goucher, Town Treasurer

The Council met in workshop session concerning the 2011-2012 Town Budget on Tuesday evening, March 22, 2011 beginning at 7:13 o'clock PM, Council Chairman Marshall presiding:

Council Chairman Marshall suggested that the Town may wish to establish a practice of forecasting its budget. He further suggested that the forecast might consider a five (5) year "window."

Council Chairman Marshall added that the forecast will likely provide a "head start" in preparing for the future and also will aid in the rendering of budget decisions and cost saving opportunities.

Council Chairman Marshall also stated that he was uncertain as to how well received a \$2 per \$1000 of assessed valuation will be.

Town Administrator Mederos and Town Treasurer Goucher agreed to work on a forecast practice.

Council Chairman Marshall suggested that the School District budget would also benefit from forecasting.

Councilwoman Parella agreed that forecasting based upon a trend analysis would be beneficial. She added that the \$2 proposed increase was a "huge" problem and that the Town must do its best to "categorically display this as related to the revaluation."

Councilwoman Parella added that if the Council is going to consider curtailing services in order to minimize any tax increase it should determine what the public is willing to live without. She theorized that most people would rather pay for the service than give up the service.

A general budget discussion ensued including the amount of increase requested by all entities including the schools.

Councilman Teixeira stated that he "agrees 100%" to the idea of forecasting. He further stated that the Council needs to engage all entities as a committee in this forecasting exercise and also to request that the parties should be encouraged to "think

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outside of the box" and also that a properly forecasted budget should prevent the need to "cram" at budget time.

Councilwoman Parella noted that the larger problem is with the State since it has been unpredictable regarding State aid. She noted that the Town budget is usually considered at a somewhat "leisurely pace" as compared to the State-related issues.

Town Administrator Mederos reminded the Council that her office and the departments begin working on each year's budget during the month of January.

Councilman Teixeira stated that the budget process was "overwhelming" to him.

Council Chairman Marshall agreed that the State is at the root of the problem and also that it is wise not to count on the State for any revenue sharing.

Councilwoman Parella observed that despite the problems originating with the State's reneging on revenue sharing commitments during the past few years the Town has not returned to its citizen mid-year for additional taxation. She also observed that many others cities and towns have done this.

Councilman Barboza noted that 67% of the proposed increase is attributable to the revaluation.

Councilman Barboza also reported that the average property valuation was decreased by approximately 13%.

Councilwoman Parella stated that the Town "must get that message out" to the public.

Town Solicitor - 404

Andrew M. Teitz, Esq., Assistant Town Solicitor

Assistant Solicitor Teitz informed the Council that he was in support of the Town Administrator's recommendation regarding the Town Solicitor's budget. He noted that this budget represents no change from the previous year. He added that he has served the Town in a solicitor capacity for twenty-five (25) years and thanked the Town for its continued relationship with his firm.

The Council made no changes to the budget as recommended.

Public Works - 603

Fred Serbst, Director

Town Administrator Mederos reported that the Council has asked for innovations and that this budget in particular contains a significant innovation; contracted rubbish collection.

Town Administrator Mederos reported that the proposal provides a considerable financial benefit while it has no negative impact upon the workforce. She added that the idea of a contracted rubbish collection appears to be a "trend" within the State and out of thirty-three (33) communities polled, only four (4) of these continue to have Town employees who are charged with curbside rubbish collection.

It was noted that the contracted service has the potential to save \$369,000 annually.

Council Chairman Marshall asked to know the plans for the rubbish collection vehicles with Public Works Director Serbst reporting that the newest of these is from 2002.

Council Chairman Marshall asked to know how the estimated savings figures were derived with Public Works Director Serbst responding that these figures were derived from data received from other towns using a contracted service.

Councilman Herreshoff cautioned that the Town should be aware of a possible "bait and switch" scenario where the contractors will provide a low price in order to lure the Town into an irrevocable arrangement and raise the price significantly in the future.

Public Works Director Serbst explained that the Town plans to bid the contract service for a one (1) year contract with two (2), three (3) year extensions at the discretion of the Town.

Councilman Herreshoff asked to know what would become of the people currently working on the rubbish routes with Public Works Director Serbst explaining that these people are all capable to be employed in various other maintenance responsibilities and that the Town has not done any of these maintenance items in the past due to a lack of staff.

Councilwoman Parella asked for examples with Public Works Director Serbst responding that Stormwater Phase II requires the regular cleaning of approximately 3,000 catch basins and that the Town can now only clean 500. He added that the Town must

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also regularly test the Town's outfalls for clean water compliance and that this is not currently accomplished per the regulations and also that mosquito abatement in the catch basins is not done due to the unavailability of staff.

Public Works Director Serbst noted that certain masonry repairs and other maintenance projects have been regularly deferred or contracted out since there were no employees available to do these.

Councilwoman Parella asked to know if the rubbish collection workers were cross-trained to do these other jobs with Public Works Director Serbst responding that those employees in need of the training will receive it.

Public Works Director Serbst informed the Council that since this was a significant departure from past practice he was seeking the Council's approval to seek proposals for the rubbish collection contract.

Councilman Barboza asked to know the anticipated start date with Public Works Director Serbst responding that this would begin in July with the new budget year.

Council Chairman Marshall observed that Warren has a similar service and that Warren will likely be a good source of information on the proposal.

Council Chairman Marshall asked to know about how park rubbish will be collected with Town Administrator Mederos reporting that this rubbish is collected by the Parks and Recreation Department staff and that it would continue to do so.

Councilwoman Parella asked to know about the future plans for the operation of the transfer station with Public Works Director Serbst noting that this station will remain open and operational per the current practice. He added that there is cost savings anticipated since some of the rubbish collected curbside will be brought directly through the collection contractor and not pass through the transfer station.

Councilman Herreshoff asked to know who will pay tipping fees with Public Works Director Serbst explaining that the Town will pay the tipping fees since the Town rate is \$30 and a contractor rate is \$100.

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Councilwoman Parella asked to know if the Town might plan to do its own grass mowing with the maintenance employees with Public Works Director Serbst noting that equipment availability would be an issue. He further explained that the Town does not have grass mowing equipment.

Councilwoman Parella asked to know when Public Works Director Serbst plans to "catch up" with the aforementioned deferred maintenance with Public Works Director Serbst responding that the Stormwater Phase II maintenance work must be completed each and every year.

A discussion ensued regarding those work items which will need continuing attention.

Council Chairman Marshall expressed concern that the Town would be eliminating its ability to pick up the curbside trash should it wish to regain that function in the future.

Public Works Director Serbst noted that the contracted curbside collection must be successful in other towns since so few have their own crews doing this. He added that only Pawtucket, Central Falls, Warwick and Coventry have their own curbside pickup.

Councilwoman Parella asked to know if the recycling will be impacted with Public Works Director Serbst explaining that the plan is to keep recycling as-is. He added that the State is moving toward "single source recycling" (paper and cans/bottles at the same time) and that the Town may have to acquire new equipment to accommodate this change.

Councilman Teixeira asked to know if there would be any new hiring in the Public Works Department should the Town approve the contracted pickup plan with Public Works Director Serbst responding that he did not anticipate any new hiring.

Councilman Teixeira asked to know if the employees were cross-trained in the various reassignment responsibilities as described earlier (versus rubbish collection) with Public Works Director Serbst explaining that senior employees will be assisted by junior employees and that any training needed will be completed "in house."

Councilman Teixeira asked to know if the foremen are "working foremen" with Public Works Director Serbst responding affirmatively.

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Councilman Herreshoff asked to know how many persons pick up the recycling with Public Works Director Serbst responding that two (2) employees fulfill this function.

Councilman Herreshoff asked to know why the Town is not considering contracting the recycling pickup with Public Works Director Serbst and Town Treasurer Goucher explaining that there does not appear to be a cost advantage to do so.

Councilwoman Parella asked to know if the Town was running higher than anticipated in tipping fees with Public Works Director Serbst responding that the Town is in "pretty good shape" right now this being attributed to an increase in the transfer station fees collected.

Councilman Teixeira asked to know the purpose of the security cameras with Public Works Director Serbst explaining that these are for the transfer station and the gasoline pumps. He noted that prior to the security cameras; unacceptable rubbish was left at the transfer station during off-hours.

Councilwoman Parella asked to know the source of the "pile of dirt" nearby the DPW building with Public Works Director Serbst responding that this pile is asphalt grindings from road improvements and that these are reused. He also explained that a pile has been in that location for approximately seven (7) years.

A discussion ensued regarding the existing rubbish collection equipment with Public Works Director Serbst suggesting that the Council may wish to withhold the de-accessioning of this equipment as a "safety valve," should the new contracted rubbish collection be unsuccessful.

Councilman Barboza noted that the Council requested that the administration might find ways to do things differently and more cost-effectively and that he was impressed by the work done to bring forward the recommendation concerning contracted rubbish collection. He added that the plan appears to be well devised and that he was comfortable with the plan since it will result in no displacement of current workers. He suggested that the Council should either approve the plan or make provisions to add workers to do the deferred maintenance.

Councilman Teixeira asked to know if the cash receipt system was being changed to accommodate some of the auditor's reports with

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Town Treasurer Goucher explaining that the Town does not plan to change its cash receipt system because she "feels good" that there are sufficient controls in place to prevent problems with the cash. She added that the auditor's recommendation was "usual" and that the auditors would prefer if there was a single cash collection place. She added also that this would not be practical since the Town collects cash in different places in order to accommodate the public.

Public Works Director Serbst noted that the cash collection controls include daily tally sheets and receipts. He noted that previous to this the public was expected to pay minimal amounts with checks only and that the public found this to be inconvenient.

Councilman Teixeira recommended that the Town should issue a receipt for all amounts collected.

Council Chairman Marshall noted the line item for tires at \$18,000 with Public Works Director Serbst reporting that tire costs were "out of sight." He added that the Town is always looking for ways to save on expendable items.

Councilman Teixeira asked to know if the Town outsources vehicle repairs with Public Works Director Serbst reporting that the DPW tries to do as much in-house as practicable.

Council Chairman Marshall noted that the Town was fortunate to have the expertise of the DPW.

Councilwoman Parella noted that she was comfortable to "explore" and with getting prices for the contracted curbside rubbish collection. She added that the staffing (no lay-off) issue was attractive also.

Councilman Teixeira agreed that the contracted curbside rubbish collection was "a good option" but that he was not ready to make a move at this time.

Councilman Herreshoff agreed that the plan was "attractive" but suggested that the Council should examine all of the data in greater detail prior to making a final decision.

Council Chairman Marshall suggested that the department's budget should be "asterisked" and that the Council will revisit the matter later in the budget process since several of the line

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items are related to the issue of the contracted rubbish collection.

Councilman Herreshoff asked if the Town has spoken to Warren officials concerning their experience with a contracted service.

Town Administrator Mederos noted that Barrington Town Manager Peter DeAngelus has agreed to report to the Council on Barrington's contracted program.

Councilwoman Parella stated that it would be helpful to learn from the experience of similar towns.

Municipal Observances - 806

Fourth of July

Judith Squires, General Chairman

Ms. Squires reported that the annual Chief Marshal "announcement" will be held on April 8, 2011 at approximately 8:00 o'clock PM in the Burnside Memorial Building.

Ms. Squires noted that the Town Administrator recommends \$10,000 and asked the Council to consider a larger appropriation.

Councilman Herreshoff suggested that the Committee might be allocated \$15,000.

Council Chairman Marshall suggested that the line item should be marked with an asterisk (*) and that the Council would consider a larger appropriation later in the budget process.

Veterans Holidays

No representative present

The Council, by consensus, agreed with the Town Administrator's recommendation.

Patriotism (flags)

Denise Asciola, Assistant to Town Administrator Mederos

Ms. Asciola noted that the amount recommended by the Town Administrator was sufficient. It was also noted that Catherine Holmes has been repairing some of the less-tattered flags as a community service and that this has allowed for longer flag life.

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The Council, by consensus, agreed with the Town Administrator's recommendation.

Christmas Festival

Councilman Teixeira, also Chairman of the Christmas Festival informed the Council that the Town Administrator's recommendation of \$2,500 should be sufficient.

The Council, by consensus, agreed with the Town Administrator's recommendation.

Last Night/Concerts on the Common

The Council agreed that these two lines should be considered together since the funds are interdependent.

A discussion ensued regarding Concerts on the Common with Councilman Teixeira informing the Council that he thought that the bands performed for free.

Councilman Herreshoff asked to know if the Concerts on the Common were operating within budget with Denise Asciola informing the Council that the allocation and the donations received usually shows a surplus.

Councilwoman Parella stated that the Concert programs were not "essential services" but rather were "quality of life" services.

Ms. Asciola reported that the Concerts on the Common usually provide some of the funding for the Last Night which seems to operate in a deficit.

Teixeira/Barboza - Voted unanimously to 'level fund' Concerts on the Common (\$3000).

Barboza/Herreshoff - Voted unanimously to 'level fund' Last Night (\$12,500).

The Council, by consensus, agreed to consider a \$15,000 appropriation to the Fourth of July but to mark the appropriation with an asterisk (*) and consider the matter further later in the budget process.

Holiday Lighting

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Town Administrator Mederos reported that the Town tried to investigate the use of a cheaper product.

Councilwoman Parella suggested that the Town might investigate getting the lights donated from Bethlehem Lighting.

Councilman Herreshoff noted that the cost of the lights is for the strings of lights only and that the cost of installation is in the Public Works budget.

Councilman Teixeira suggested that if any of the lights are eliminated the snowflake should remain.

Councilman Herreshoff suggested that the lights along State Street might be eliminated.

Councilwoman Parella suggested that the lights might be lit for fewer hours in order to save on electricity.

The Council, by consensus agreed to record this budget as \$3,500 but to place an asterisk (*) near the column so that it may be revisited later in the budget process.

Water Pollution Control - 604

Matthew Calderiso, Superintendent

Town Treasurer Goucher suggested that any surplus generated within the Enterprise Fund overall budget should be placed in a capital account for future capital improvements.

A discussion ensued regarding the surplus/fund balance with Councilman Herreshoff noting that the Town has benefitted over the years from the availability of the accumulating surplus and that he would not be in favor of any "automatic raiding" of the surplus.

Town Treasurer Goucher stated that the matter of concern at present is solely related to the Enterprise Fund (Schedule "C") and that she was not considering the General Fund in this recommendation.

Councilman Teixeira agreed that some of the Water Pollution Control plant is outdated and that capital improvements are needed.

Councilwoman Parella asked to know if the department plans to ask for a capital improvement bond with Water Pollution Control

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Superintendent Calderiso responding that a \$4.1 upgrade has been recently completed and that there are more improvements needed; most of these related to changing Environmental Protection Agency regulations.

A discussion ensued regarding the so-called "Warren Agreement" with Councilman Teixeira noting that some Warren roads (Bordertown Development) receive snow removal and other services from Bristol.

Town Administrator Mederos agreed to speak to Warren Town Manager Paduch regarding this matter.

The Council, by consensus, agreed to level-fund the "Warren Agreement" at \$27,000.

Councilman Teixeira asked to know who repairs the Water Pollution Control/Composting vehicles with Water Pollution Control Superintendent Calderiso responding that many of the repairs are completed by his employees - "90% in-house."

Councilman Barboza suggested that the Council may wish to add a line for "replacement of ejector pumps." Town Administrator Mederos stated that if the Town is to pay for replacement of these then a set of criteria for reimbursement must be established. A discussion ensued regarding the ejector pumps and the pump out of septic tanks.

The Council made no additional changes to the budget as recommended by Town Administrator Mederos.

Composting - 606

Councilman Herreshoff asked to know the status of the roofing project with Water Pollution Control Superintendent Calderiso responding that he is still investigating the possibility of installing solar panels on the compost building roof.

A discussion ensued regarding the compost product and also a bio-generator.

The Council made no changes to this budget.

Enterprise Fund - 607

After a brief review, the Council made no changes to this budget.

Rogers Free Library - 802

Joan Prescott, Director

A discussion ensued regarding salaries with Town Treasurer Goucher reporting that these figures were adjusted to reflect actual salaries since these varied from what had been approved in the previous year's budget.

Councilwoman Parella noted that some of the salaries were "pathetic" considering the employees' level of education and experience.

Director Prescott suggested that personnel with Masters Degrees in Library Science and also the Assistant Director should receive salary adjustments of \$5000 per year each.

Town Treasurer Goucher noted that the budget was in a "tight year" and that there was also a compelling argument for other underpaid Town employees.

Councilwoman Parella suggested that the Library salaries were particularly "out of whack." She suggested that the Town might consider incremental adjustments over the next few years in order to make these salaries more in-line with market rates.

A discussion ensued regarding central purchasing with Director Prescott agreeing to speak with Deputy Treasurer Marshall regarding possible economies.

The Council agreed, by consensus, to place an asterisk (*) upon the Library salary line and to revisit this matter prior to finalizing the Town provisional budget.

The Council made no other changes to the budget as recommended.

Parks and Recreation - 803

Walter Burke, Director

Town Administrator Mederos reported that the cost of the summer camp is approximately \$264 per participant and that the Town charges \$50. She recommended that the amount charged should be raised to \$100.

Councilman Herreshoff asked about those who were unable to pay with all in agreement that scholarships will be available to those who cannot afford to pay the camp fee.

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A discussion ensued regarding having camp on rainy days with Recreation Director Burke explaining that the Quinta Gamelin Center will be used for this in the future.

Councilwoman Parella suggested that the Town might ask to use a school building in the interim.

Recreation Director Burke also explained that the Town of Cumberland uses school buildings for summer camp. He suggested that the John Post Reynolds School might be used on rainy days for the summer camp.

Councilwoman Parella informed those present that she is familiar with summer programs in Pawtucket and that 95% of the served population qualifies for free or reduced lunch. She added that people consider \$50 per week for the service provided to be acceptable.

Town Treasurer Goucher agreed that the Town provides a "high value" for \$50 for the entire season.

Recreation Director Burke added that \$5 of the \$50 collected is used to pay for the campers' "uniform" camp shirt.

Town Treasurer Goucher reported that the budget was built upon the Town Administrator's recommendation of a \$100 annual fee for camp.

Councilwoman Parella added that this fee should pose no problem with Councilman Herreshoff agreeing that the fee amounts to less than \$2 per day.

Councilman Herreshoff asked to know the anticipated cost of operating the Quinta Gamelin Center with Recreation Director Burke reporting that this amount should be roughly equivalent to the operation of the current Community Center.

Recreation Director Burke reported that the Quinta Gamelin Center will need to have a (fire suppression) sprinkler system installed.

Councilman Herreshoff asked to know the cost of same with Recreation Director Burke stating that he estimates the cost at approximately \$150,000.

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Councilwoman Parella asked to know if the building rehabilitation will require a bond issue with Recreation Director Burke reporting that he plans to apply for grants through the Champlin Foundations once he "gets into the building."

Town Treasurer Goucher reported that the budget contains additional funds for utilities.

Councilwoman Parella suggested that the budget should include smaller incremental increases over time for the Quinta Gamelin Center versus one large increase.

Town Administrator Mederos reported that the building is in good condition and that the Army is making improvements.

Recreation Director Burke again mentioned the need for sprinklers and also that the second-level over the gymnasium must be removed.

A discussion ensued regarding Parks and Recreation maintenance with Council Chairman Marshall asking about the budget for maintenance overtime.

Recreation Director Burke noted that this amount is paid to Manny Pacheco.

Councilman Barboza asked if this amount is used to pay Mr. Pacheco for overtime on Saturday and Sunday with Recreation Director Burke responding that this would include Sunday overtime.

Council Chairman Marshall expressed concern that the base salary plus overtime for Mr. Pacheco rivaled the salary paid to the Assistant Director with Recreation Director Burke reporting that the Assistant Director is in favor of the combined salary for Mr. Pacheco.

Councilman Teixeira asked to know what Recreation Director Burke would create with a "magic wand" with Recreation Director Burke responding that his "dream" would be for \$1.5 million in order to repair and upgrade the Quinta Gamelin Center with all facilities.

There being no further business, upon a motion by Councilman Barboza, seconded by Councilman Teixeira and voted unanimously,

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Council Chairman Marshall declared this workshop to be adjourned at 11:02 o'clock PM.

Louis P. Cirillo, CMC
Council Clerk